

October 15, 2002

***NOTICE OF EX PARTE
PRESENTATION***

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TW B204
Washington, DC 20554

Re: **Federal-State Joint Board on Universal Service**
CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200,
95-200, 95-116, 98-170 and NSD File No. L-00-72

Dear Ms. Dortch:

The attached written *Ex Parte* Presentation concerning the above-referenced proceeding was sent to FCC Chairman Michael K. Powell by the undersigned on October 15, 2002, on behalf of the National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), and the United States Telecom Association (USTA). In accordance with FCC Rule 1.1206(b)(1)¹, this Notice of *Ex Parte* Presentation and a copy of the referenced *Ex Parte* Presentation are being filed with you electronically for inclusion in the public record. Should you have any questions, please contact me at (202) 326-7300.

Sincerely,

/s/Walter B. McCormick, Jr.
Walter B. McCormick, Jr.
President & CEO
United States Telecom Association

Attachment

cc: Commissioner Abernathy
Commissioner Copps
Commissioner Martin
William Maher
Christopher Libertelli
Matt Brill
Jordan Goldstein
Daniel Gonzalez

¹ 47 C.F.R. § 1.1206(b)(1).

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FCC Chairman Michael K. Powell
Federal Communications Commission
445 12th Street, SW.
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Re: **Federal-State Joint Board on Universal Service**
CC Docket Nos. 96-45, 98-171, 90-571, 92-237, 99-200,
95-200, 95-116, 98-170 and NSD File No. L-00-72

Dear Chairman Powell:

We are writing on behalf of the National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO), and the United States Telecom Association (USTA) to convey our views on the Commission's proceeding dealing with the contribution scheme for funding of universal service support mechanisms. In particular, we wish to express our opposition to the connections-based proposal presented by the Coalition for Sustainable Universal Service (CoSUS). Because the CoSUS proposal would exclude interexchange carriers from their obligations to contribute to the funding of universal service support mechanisms on an equitable and nondiscriminatory basis, the proposal clearly violates Section 254(d) of the Telecommunications Act of 1996 (1996 Act).

Our associations are united in our support for a universal service contribution regime that provides for equitable and nondiscriminatory contributions by all telecommunications carriers that provide interstate telecommunications services. Not only is such an equitable and nondiscriminatory regime mandated by Section 254(d), but it also ensures that the universal service fund will remain a stable source for funding for eligible carriers. The CoSUS proposal, which is nothing more than a blatant attempt by interexchange carriers to shirk their obligations under the 1996 Act, would endanger the long-term viability of the fund, as well as burden other telecommunications carriers in a discriminatory manner, in clear violation of the Section 254(d) mandates.

Any supportable contribution scheme which the FCC adopts must first satisfy the clear mandate of Section 254(d), assure continued sufficient and predictable universal service support and be competitively neutral. Our associations are united in our support for a plan that preserves a sufficient and predictable high cost universal service support mechanism that conforms with the obligations of Section 254. Given that the CoSUS proposal blatantly violates both the spirit and language of Section 254, we would be compelled to seek judicial review of any FCC order

October 15, 2002
Chairman Powell
Page 2 of 2

based on the CoSUS proposal. We look forward to working with the FCC to develop a legally sustainable universal service mechanism which preserves a sufficient and predictable high cost universal service fund.

Sincerely,

/s/ John Rose
John Rose
President and CEO
OPASTCO

/s/ Michael Brunner
Michael Brunner
Executive Vice President and CEO
NTCA

/s/ Walter B. McCormick, Jr.
Walter B. McCormick, Jr.
President & CEO
United States Telecom Association

cc: Commissioner Abernathy
Commissioner Copps
Commissioner Martin
William Maher
Christopher Libertelli
Matt Brill
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